AGREEMENT

1.

3

4

5

6

S

9

10

11

12 13

14

15

16

17

18 19

20

21

22

23

24

25 26

27

28

29 30

31

32

33

THIS AGREEMENT is made and entered into this, 30 day of Timbers 1966, by and between THE STATE OF WASHINGTON, DEPART-MENT OF FISHERIES, hereinafter referred to as "the Department", and PUGET SOUND POWER & LIGHT COMPANY, hereinafter referred to as "Puget Power".

RECITALS

- 1. The Department is charged, under the laws of the State of Washington, with the duty of propagating, protecting, conserving, preserving and managing food fish and shellfish within the State of Washington.
- 2. Puget Power is a corporation organized under the laws of the State of Washington and is authorized under Federal Power Commission License No. 2150 to construct, operate and maintain a hydroelectric project, commonly known as the "Baker Project", located on the Baker River in Whatcom and Skagit Counties, Washington.
- 3. Article 33 of said license provides:

The Licensee shall construct, operate and maintain or shall arrange for the construction, operation and maintenance of such ladders, traps, hatcheries, or other facilities or protective devices for the purpose of conserving fish and wildlife resources, and comply with such reasonable modifications in project structures and operations in the interest of conserving fish and wildlife resources as may be prescribed hereafter by the Commission upon recommendation of the Secretary of the Interior, the United States Forest Service and the Departments of Fisheries and Game of the State of Washington, after notice and opportunity for hearing. In addition, the Commission may, upon recommendation of the afcresaid agencies, require the Licensee after notice and opportunity for hearing to reserve from public access such project

waters and adjacent project lands owned by the Licensee and to acquire or arrange for the acquisition of such other lands as may be reasonably necessary for the protection and management of fish and wildlife resources affected by the project.

- 4. The parties hereto, together with the Fish and Wildlife Service of the United States Department of the Interior and Forest Service of the United States Department of Agriculture intend to define by this agreement the responsibilities and obligations of Puget Power under Article 33 of Federal Power Commission License No. 2150, above, and to provide a means of meeting these obligations and responsibilities insofar as they pertain to the conservation of food fishes (as defined by RCW 75.04.040) consistent with the need to maintain the food fishery resources of the Baker River at a sustained level of abundance.
- 5. The parties hereto, together with the Fish and Wildlife Service of the United States Department of the Interior and the Forest Service of the United States Department of Agriculture have conducted investigations relative to the loss of Sockeye salmon spawning grounds destroyed by reason of the Baker Project and have conducted negotiations relative to the mitigation or replacement of such losses.
- 6. The Department has contended that the appropriate means for mitigating and replacing the spawning area losses are through the construction and operation of: (1) an artificial spawning beach (1,500 fish capacity) in addition to the two spawning beaches (1,500 and 100 fish capacity respectively) already constructed, operated, and maintained at Puget Power's expense, (2) an improved water supply system to successfully operate the three spawning beach complex, (3) improved downstream migrant facilities from lower Baker Dam to the area of the powerhouse tailrace. Puget Fower in order to resolve the controversy in this regard will, as provided in this agreement, agree to proceed with the construction and operation of

said spawning beach and water supply system, and shall consult with the Department to insure that improved downstream migrant facilities are incorporated in any plans it may make for the redevelopment of the lower Baker power house. All of such facilities shall be designed, constructed, operated and maintained at Puget Power's expense, based upon criteria determined by the Department with the consultation and approval of the Fish and Wildlife Service of the Department of the Interior and the Forest Service of the United States Department of Agriculture.

NOW THEREFORE, it is agreed between the parties hereto:

1. TERM

The term of this agreement shall commence on the date hereof and end concurrently with the term of Federal Power Commission License No. 2150 for the Baker project. In the event the Baker Project shall be taken over by the United States under the provisions of the Federal Power Act, or the Baker Project shall be taken by the United States or any public agency having the power to do so under the right of eminent domain, the obligations of Puget Power hereunder shall terminate and be at an end, but the obligations of Puget Power hereunder shall be taken over and assumed by the agency taking over the project.

II. CONSTRUCTION OF ADDITIONAL FACILITIES

Puget Power will proceed forthwith to complete the design of (1) an additional artificial spawning beach, (2) improved spawning beach water supply system, and (3) extension of the downstream migrant pipe line at lower Baker Dam based upon criteria furnished to Puget Power by the Department. Upon completion of the plans and specifications and after their approval by the Department, Puget Power will proceed to construct, at its own cost and expense, the said additional facilities and necessary appurtenances. The spawning beach shall be on the Upper Baker Reservoir, near the West Fork of Channel Creek and adjacent to the constructed spawning beaches (1,500 and 100 fish capacities, respectively.). The said

additional artificial spawning beach shall be generally similar in design to the presently constructed 1,500 fish capacity artificial spawning beach. Puget Power agrees to provide an adequate water supply for the operation of the three artificial spawning beaches, described above. Puget Power will use all reasonable means to complete construction of (1) the additional artificial spawning beach, and (2) the improved spawning beach and related water supply system by July 7, 1966.

 24

Improved downstream migrant facilities in the area from the lower Baker Dam to the power house tailrace shall be included in any redevelopment plans for the lower Baker power house; to include an extension from the existing downstream migrant pipe facility by means of a covered flume to the power house tailrace. Such facilities shall satisfy Puget Power's obligations hereunder but Puget Power and the Department may agree to the construction of substitute facilities.

III. OPERATION AND MAINTENANCE OF SPAWNING BEACHES AND RELATED FACILITIES.

The obligations for the operation of the three spawning beaches and related facilities shall be divided between the parties as hereinafter set forth; however, the Department shall have general supervision of the operation and will be responsible for direction of such operation. The obligations and responsibilities of the parties (subject to such general supervision) shall be as follows:

a) Responsibility of Puget Power. Puget Power shall, at its own cost and expense, perform all necessary maintenance and repair work to the three spawning beaches and their appurtenant facilities. Puget Power shall be responsible for the operation and maintenance of the collection device and equipment for the transportation of adult upstream migrant fish from the point of entrapment to the spawning beaches and the Upper Baker Reservoir. Puget Power shall be responsible

for the operation and maintenance of collecting devices for downstream migrant anadromous fish at both Upper and Lower Baker Dams.

b) Responsibility of the Department. The Department shall be responsible for the holding of adult fish in the artificial beaches during their ripening period, for the stocking rate per beach, for the care of the eggs and the fry hatched therefrom, and for their subsequent release into the Upper Baker Reservoir.

Puget Power shall maintain the spawning beaches, the downstream migrant pipeline, fish collecting devices and appurtenant facilities in good operating condition and will perform that part of the operations designated to it in a good workmanlike manner. Puget continue to Power will/ provide a suitable residence for one departmental employee who will operate the spawning beaches' facilities. In the event it is proposed that the residence be located on lands under the jurisdiction of the United States Forest Service, such location shall be subject to the approval of that agency.

IV. EXPENSES OF OPERATION

].

Puget Power shall reimburse the Department for the salaries, costs and necessary traveling expenses incurred by the Department in payment of the personnel appointed and provided to accomplish the duties herein provided for. As to any amounts required to be reimbursed by Puget Power to the Department, the Department will transmit monthly to Puget Power an itemized statement setting forth salaries, costs and expenses covered by this reimbursement provision. Upon receipt of such statements, Puget Power will promptly make payment to the Treasurer of the State of Washington the amounts properly shown on such statement.

V. LIMITATION OF LIABILITY

The parties hereto agree that, upon compliance with the obligations and responsibilities herein contained, Puget Power will have complied with its obligations and responsibilities under Article 33

1 of Federal Power Commission License No. 2150 to construct, operate 2 and maintain facilities for the purpose of conserving and preserving 3 the food fishery resources of the Baker River to the extent of re-4 sponsibility of the Department. This agreement is without prejudice 5 to either party's right to request reasonable modifications in project 6 structures and operations in the interest of conserving and preserving the food fishery resources of the Baker River. VI. OWNERSHIP OF FACILITIES Full title and ownership to the facilities within the project 10 boundaries covered by this agreement shall be and remain in Puget 11 Power. Each of the parties hereto, their officers, agents and 12 employees shall have full access to all portions and areas of said 13 facilities. WII. ECONOMY OF OPERATION 15 The parties agree that the facilities covered by this agreement 16 will be operated in an efficient and economical manner with proper 17 regard for the purposes of the facilities and to the end that the 18 functions for which the facilities are provided may be fulfilled. 19 The Department agrees to cooperate fully with Puget Power to economize

22 VIII. LIABILITY

Each party hereto shall indemnify and save harmless the other party hereto from loss or damage resulting from the acts or omissions of the other party, its officers, agents or employees. The parties agree that each party hereto is an independent contractor and not the agent or employee of the other party.

on the use of water and power within the limits of proper and effic-

IX. REPORTS AND RECORDS

hent operation of the facilities.

All reports, records and studies made, kept or conducted by either party hereto relative to the maintenance or operation of the facilities, or to the handling, numbers, condition or behavior of

32

21

23

24

25

26

27

28

.29

30

31

33

-	ish delizing of affected by the facilities will be made readily
2	available to the other party.
3	DEPARTMENT OF FISHERIES
4	STATE OF WASHINGTON
5	
6	The Titleres.
7	THOR C. TOLLEFSON Director
s	Approved As To Form: 1
9	1 1/1/1/
10	Assistant Attorney General
11	PUGET SOUND POWER & LIGHT COMPANY
12	\mathcal{L}
13	
14	Vice-President
15	Construction, operation and maintenance of the spawning beach
16	and other facilities specified in Section II of this agreement, in
17	accordance with the provisions of Sections II, III, IV, VI, VII, and
18	IX hereof is hereby acknowledged to be a reasonable plan insofar as
19	food fish are concerned for carrying out the requirements of Article 33
20	Federal Power Commission License No. 2150, set forth in Recital 3 of
21	this agreement, and such construction, operation and maintenance is
22	nereby approved and recommended. Sections of this agreement not
23	listed in the above recommendation are deemed to cover matters which
	are solely for the consideration of Puget Power and the Department.
25	UNITED STATES DEPARTMENT OF
26	INTERIOR, FISH AND WILDLIFE SERVICE
27	O. T. Will-and
28	Regional Director
29	Bureau of Commercial Fisheries
30	the Si-timesey
31	Regional Director 20HN D. Findle / Bureau of Sport Fisheries and
32	Wildlife

UNITED STATES DEPARTMENT OF AGRICULTURE FOREST SERVICE